VZCZCXRO4036 OO RUEHFK RUEHKSO RUEHNH DE RUEHKO #4044/01 2420739 ZNY CCCCC ZZH O 300739Z AUG 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC IMMEDIATE 7093 INFO RUEHBJ/AMEMBASSY BEIJING 8712 RUEHBY/AMEMBASSY CANBERRA 2318 RUEHMO/AMEMBASSY MOSCOW 1863 RUEHUL/AMEMBASSY SEOUL 4770 RUEHFK/AMCONSUL FUKUOKA 2887 RUEHNH/AMCONSUL NAHA 5314 RUEHOK/AMCONSUL OSAKA KOBE 6513 RUEHKSO/AMCONSUL SAPPORO 3634 RUEHIN/AIT TAIPEI 6634 RUEAIIA/CIA WASHDC RUALSFJ/COMUSJAPAN YOKOTA AB JA RUCPDOC/DEPT OF COMMERCE WASHINGTON DC RHEFDIA/DIA WASHINGTON DC RUETIAA/DIRNSA FORT GEORGE G MEADE MD RHMFISS/DISA WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/SECDEF WASHDC RUEATRS/TREASURY DEPT WASHDC RHEHAAA/WHITE HOUSE WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 004044

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TAGS: PGOV PREL JA

SUBJECT: ABE'S NEW CABINET GETS BOUNCE IN POLLS BUT REMAINS

VULNERABLE

REF: A. TOKYO 3968

1B. TOKYO 3970

Classified By: CDA Joseph R. Donovan for reasons 1.4 (b,d)

Summary and Comment

¶1. (C) Prime Minister Shinzo Abe's sagging poll numbers have received a boost with careful choices for his new Cabinet that included former and current Cabinet members and several Liberal Democratic Party (LDP) faction heads. That said, concerns remain about the fate of the Anti-terrorism bill, which Foreign Minister Machimura and Defense Minister Komura have promised to shepherd through the Diet. The LDP leadership and Chief Cabinet Secretary Yosano have the skills and political standing to rebuild stability and party unity and to mitigate friction with the opposition Democratic Party of Japan (DPJ), but criticism of the Abe administration continues amid hints of a new money scandal involving LDP General Council Chairman Toshihiro Nikai.

12. (C) Prior to the reshuffle, there was a feeling of "damned if you do, damned if you don't" hanging in the air. By choosing veteran politicians, Abe risked being accused of a lack of freshness, but choosing fresh faces risked accusations of inexperience. In the end, the new Cabinet improved Abe's standing with the public and the LDP, but the key will be maintaining this momentum. The next real test will come with the opening of the Diet in September and deliberations on the Anti-terrorism bill. Some DPJ Diet members have put out conciliatory feelers on the bill, which has led to increased optimism. Nevertheless, the Abe administration can ill afford another scandal that erodes public confidence further. End summary and comment.

13. (C) All the major Japanese dailies have reported that, in the wake of August 27's Cabinet reshuffle (ref. A), the Abe cabinet's support rate increased to the same level or higher than before the July 27 Upper House election. The bad news for the PM is that this support rate remains lower than the non-support rate in most of the polls. Diet members have complained to Embassy Tokyo of "strong headwinds" buffeting the administration even after the new cabinet was announced and predicted that critics would continue to take potshots at Abe's leadership flaws.

Veterans and Faction Heads

¶4. (SBU) Abe boosted his popular support and won back slightly higher poll numbers by filling his new Cabinet with veterans (ref. B). Heeding LDP concerns, he chose capable politicians with a history of accomplishments. Nine of his choices are former or returning Cabinet members: Fukushiro Nukaga, Nobutaka Machimura, Masahiko Komura, Kaoru Yosano, Tetsuzo Fuyushiba, Yoshimi Watanabe, Akira Amari, Bunmei Ibuki, Hiroko Ota, and Hiroya Masuda, a former prefectural governor. Abe included all but one faction in his leadership appointments and five out of the nine faction leaders: Masahiko Komura, Nobutaka Machimura, Bunmei Ibuki, Taro Aso and Toshihiro Nikai. While Abe will have to contend with stronger, more independent politicians in the new cabinet, these choices increase his chances of unifying the party behind him.

Anti-Terrorism Bill Has New Shepherds

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¶5. (C) With the Diet set to open on September 10, the Anti-terrorism Special Measures bill promises to remain the session's focal point. Newly appointed Foreign Minister Machimura lost no time connecting with his U.S. counterparts, promising to do everything he could to get the Anti-terrorism bill extended. For his part, Defense Minister Komura will also stand firm against the DPJ's opposition to the bill. He is known for his oratory skills and for having been an extremely capable bureaucrat, but he has also been criticized by politicians in his faction for not exerting himself.

Yosano, Aso, Nikai Bring Stability

16. (C) The appointment of Chief Cabinet Secretary Yosano provides stability to Abe's Cabinet. Yosano is a prominent policy expert with an ability to explain things clearly and consistently and he is likely to go beyond his role as government spokesman to play a central role in coordinating different views. LDP Secretary General Aso will likely seek to unify the party with the help of General Council Chairman Nikai, who has friends across parties, including a long-standing friendship with DPJ President Seiji Ozawa. Nikai also is close to LDP Diet Affairs Committee chairman Tadamori Oshima, whose behind-the-scenes coordination skills are second only to Nikai's. However, Osaka observers warn that Nikai may soon come under scrutiny for improperly reporting his office expenses. DONOVAN